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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/411,683	10/04/1999	STEPHEN K. FRASER	108.1001.02	8674

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EXAMINER
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DIXON, THOMAS A

ART UNIT	PAPER NUMBER
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3629

DATE MAILED: 10/12/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/411,683	<b>Applicant(s)</b> FRASER ET AL. <span style="float: right;">ST</span>	
	<b>Examiner</b> Thomas A. Dixon	<b>Art Unit</b> 3629	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 20 May 2004.  
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.  
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 58-69 is/are pending in the application.  
4a) Of the above claim(s) 1-57 is/are withdrawn from consideration.  
5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.  
6) ☒ Claim(s) 58-69 is/are rejected.  
7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.  
8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.  
10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).  
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>5/2004</u> . | 6) <input type="checkbox"/> Other: _____  |

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### DETAILED ACTION

1. Claims 1-57 have been cancelled, claims 62-69 have been added.
2. The IDS of 05/2004 has been considered, new rejections appear below..

#### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 58-59, 61, 67-68 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 58, lines 15-17 recite the limitation "and includes...loan applicants" which appears to be a duplicate of lines 13-15, they were perhaps intended to be "loan makers" as in claim 60.

Claims 59 and 61 are rejected as not further limiting, the base claim specifies "one or more loan makers", the limitation to one loan maker is included within the scope of "one or more."

Claims 67-68 recite the limitation "said soliciting". There is insufficient antecedent basis for this limitation in the claim.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 60-69 rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention is not within the technological arts.
4. As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental

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premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

5. Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

6. This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that

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the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

7. The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

8. In the present application:

Claim 62 includes querying electronically, maintaining a database, allowing searches of the database and computing aggregate information, but only the querying appears to be electronic, all other steps could be manually performed, and therefore there is no explicit manipulation of the electronic data, and it is therefore seen to be not in the technological arts. Claims 63-65 further define the electronic data gathering, but do draw the claims into the technological arts because they do not define further manipulation beyond gathering the data.

Claim 66 includes collecting electronically, maintaining a database, generating aggregate data and soliciting bids, but only the querying appears to be electronic, all other steps could be manually performed, and therefore there is no explicit manipulation of the electronic data, and it is therefore seen to be not in the technological arts. Claims 67-68 which may depend from this claim further define accessing data and delivering data, but do draw the claims into the technological arts because they do not define further manipulation of the data.

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Claim 68 includes collecting electronically, publishing, soliciting bids and selecting bids, but only the querying appears to be electronic, all other steps could be manually performed, and therefore there is no explicit manipulation of the electronic data, and it is therefore seen to be not in the technological arts.

***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

9. Claims 58-61 are rejected under 35 U.S.C. 102(e) as being anticipated by Davidson (5,699,527).

As per Claim 58.

Davidson ('527) discloses:

maintaining a database of pending loan applications at a database server, each loan having a status associated therewith, see figures 2 and 4B (150);

permitting one or more perspective loan makers to search that database, whereby those prospective loan makers can obtain information regarding loan applications and loan applicants associated with those loan applications, and permitting those loan makers to modify that database to alter information associated with at least one such loan application, see figure 5A (50);

permitting a plurality of loan applicants to search that database, whereby those loan applicants can obtain information on loan applications likely to be accepted by at least one of those prospective loan makers, and permitting those loan applicants to modify that database to alter information associated with at least one such application, see figure 4A (142, 152);

wherein the database server includes a device capable of accepting requests from loan applicants and responding to those requests consistent with the status of the requestor as a loan applicants, see figure 2.

As per Claims 59, 61.

Davidson ('527) further discloses the number of prospective loan makers is one, see figure 3D (37).

As per Claim 60.

Davidson ('527) discloses:

a database of pending loan applications at a database server, each loan having a status associated therewith, see figures 2 and 4B (150);

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a search mechanism permitting one or more perspective loan makers to search that database, whereby those prospective loan makers can obtain information regarding loan applications and loan applicants associated with those loan applications, and permitting those loan makers to modify that database to alter information associated with at least one such loan application, see figure 5A (50); that permits a plurality of loan applicants to search that database, whereby those loan applicants can obtain information on loan applications likely to be accepted by at least one of those prospective loan makers, and permitting those loan applicants to modify that database to alter information associated with at least one such application, see figure 4A (142, 152);

wherein the database server includes a device capable of accepting requests from loan applicants and responding to those requests consistent with the status of the requestor as a loan applicants, and includes a device capable of accepting requests from prospective loan makers and responding to those requests consistent with the status of the requestor as a prospective loan maker, see figure 2.

10. Claims 58-62, 64-69 are rejected under 35 U.S.C. 102(e) as being anticipated by Zandi (5,966,699).

As per Claim 58.

Zandi ('699) discloses:

maintaining a database of pending loan applications at a database server, each loan having a status associated therewith, see column 2 line 50;

permitting one or more perspective loan makers to search that database, whereby those prospective loan makers can obtain information regarding loan applications and loan applicants associated with those loan applications, and permitting those loan makers to modify that database to alter information associated with at least one such loan application, see column 2, lines 49-61;

permitting a plurality of loan applicants to search that database, whereby those loan applicants can obtain information on loan applications likely to be accepted by at least one of those prospective loan makers, and permitting those loan applicants to modify that database to alter information associated with at least one such application, see column 3, lines 1-11;

wherein the database server includes a device capable of accepting requests from loan applicants and responding to those requests consistent with the status of the requestor as a loan applicants, see column 8, lines 13-65.

As per Claims 59, 61.

Zandi ('699) further discloses the number of prospective loan makers is one, see figure 2 (50)

As per Claim 60.

Zandi ('699) discloses:

a database of pending loan applications at a database server, each loan having a status associated therewith, see column 2 line 50;

a search mechanism permitting one or more perspective loan makers to search that database, whereby those prospective loan makers can obtain information regarding loan applications and loan applicants associated with those loan applications, and permitting those loan makers to modify that database to alter information associated with at least one such loan application, see column 2, lines 49-61; that permits a plurality of loan applicants to search that database, whereby those loan applicants can obtain information on loan applications likely to be accepted by at least one of those prospective loan makers, and permitting those loan applicants to modify that database to alter information associated with at least one such application, see, see column 3, lines 1-11;

wherein the database server includes a device capable of accepting requests from loan applicants and responding to those requests consistent with the status of the requestor as a loan applicants, and includes a device capable of accepting requests from prospective loan makers and

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responding to those requests consistent with the status of the requestor as a prospective loan maker, see column 8, lines 13-65.

As per Claim 62.

Zandi ('699) discloses:

querying electronically at least one prospective loan applicant for loan related information, see column 2, lines 19-21;

assembling at least one loan application based on said querying, see column 2, lines 21-24;

maintaining in a database said at least one loan application, see column 2, line 50; and

permitting a plurality of lenders to search said database, said database including aggregate information computed from said loan related information, see column 2, lines 49-61.

As per Claims 64.

Zandi ('699) further discloses the internet, see column 2, lines 32-48.

As per Claims 65.

Zandi ('699) further discloses a list of questions, see column 4, lines 50-55.

As per Claim 66.

Zandi ('699) discloses:

collecting loan information electronically from prospective loan applicants, see column 2, lines 19-21;

generating aggregate data responsive to said loan information, said aggregate data indicating some measure of loan viability, see figure 2 (50) and column 4, lines 56-62;

maintaining said loan information and said aggregate data in a database, see column 2, line 50; and

soliciting bids for said loans from a set of lenders, see figure 2 and column 2, lines 49-61.

As per Claims 67.

Zandi ('699) further discloses providing access to loan information at a centralized location, see figure 2 (20).

As per Claims 68.

Zandi ('699) further discloses delivering electronic loan information to at least one of said lenders, see column 2, lines 49-61.

As per Claims 69.

Zandi ('699) discloses:

collecting loan information electronically from prospective loan applicants, see column 2, lines 19-21;

publishing said loan information to a set of lenders, said loan information including a loan application, see column 2, lines 49-61;

soliciting bids for said loans from a set of lenders, see figure 2 and column 2, lines 49-61;

selecting the most favorable bid based on said set of financial terms, see column 3, lines 10-30.

11. Claims 62, 66, 69 are rejected under 35 U.S.C. 102(e) as being anticipated by Ord (Canada's Electronic Mortgage Market).

As per Claim 62.

Ord discloses:

querying electronically at least one prospective loan applicant for loan related information, see column 2, paragraph 2;



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assembling at least one loan application based on said querying, see column 2, paragraph 2; maintaining in a database said at least one loan application, see column 2, paragraph 5; and permitting a plurality of lenders to search said database, said database including aggregate information computed from said loan related information, see column 2, paragraph 3.

As per Claim 66.

Ord discloses:

collecting loan information electronically from prospective loan applicants, see column 2, paragraph 2;

generating aggregate data responsive to said loan information, said aggregate data indicating some measure of loan viability, see page 2, paragraph 2;

maintaining said loan information and said aggregate data in a database, see column 2, paragraph 5; and

soliciting bids for said loans from a set of lenders, see column 1, paragraph 4.

As per Claims 69.

Ord discloses:

collecting loan information electronically from prospective loan applicants, see column 2, paragraph 2;

publishing said loan information to a set of lenders, said loan information including a loan application, see column 2, paragraph 3;

soliciting bids for said loans from a set of lenders, see column 1, paragraph 4;

selecting the most favorable bid based on said set of financial terms, see page 2, paragraph 3.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 63 rejected under 35 U.S.C. 103(a) as being unpatentable over Zandi (5,966,699) in view of Davidson (5,699,527).

As per Claims 63.

Zandi ('699) further discloses a borrower's identification, see column 8, lines 63-67, and that the system associates different user to different roles and AOL access which is known to require a password, see column 8, lines 13-65, but does not specifically disclose password protection.

Davidson ('527) teaches password access for the benefit of increased security when dealing with personal financial data, see figure 4A (104).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time the invention was made to include the password protection taught by Davidson ('527) for the benefit of increased security when dealing with personal financial data.

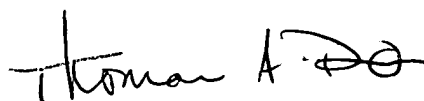
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**Conclusion**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thomas A. Dixon whose telephone number is (703) 305-4645. The examiner can normally be reached on Monday - Thursday 6:30 - 4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (703) 308-2702. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

A handwritten signature in black ink, appearing to read 'Thomas A. Dixon', with a stylized flourish at the end.

Thomas A. Dixon  
Primary Examiner  
Art Unit 3629

October 04